



# OFFICE OF THE CONTROLLER

## CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield  
Controller

Todd Rydstrom  
Deputy Controller

Anna Van Degna  
Director of Public Finance

April 19, 2022

Supervisor Myrna Melgar  
City Hall, Room 244  
City and County of San Francisco Board of Supervisors  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Dear Supervisor Melgar:

Thank you for agreeing to introduce the Board of Supervisors resolution approving, for the purposes of the Internal Revenue Code, the proposed issuance of tax-exempt obligations ("Obligations") by the California Enterprise Development Authority ("Issuer") on behalf of The Brandeis School of San Francisco ("Borrower") in an amount not to exceed \$8.5 million, to finance and/or refinance the costs of certain capital improvements to educational facilities owned and operated by the Borrower as summarized below. I respectfully request introduction of the resolution at the meeting of the Board of Supervisors on Tuesday, April 19, 2022.

Pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA), to facilitate the tax exemption of interest on the Bonds the City is required to conduct a public hearing and to approve the financing by the Authority. The Office of Public Finance held such hearing on Friday, April 8, 2022, notice of which was published on the City's public notices page on March 31, 2022. One public comment was received in support of the resolution on behalf of the Borrower, which will be communicated to the relevant Board Committee for consideration when this item is heard. The action by the Board will acknowledge that the hearing was duly held and that the financing is proceeding. I have performed a limited due diligence review of information pertaining to the proposed financing that I have summarized below.

### The Borrower

The Brandeis School of San Francisco is an independent Jewish Day School for grades K through 8. The School was established in 1963 to inspire students to lead lives of learning and purpose. Brandeis provides a challenging academic environment and a welcoming, inclusive community, each deeply enriched by Jewish thought, values, and traditions. They have a current enrollment of 336 students, per their website. The school strives to create a sacred space where every child and adult experiences a true sense of belonging, and boasts pluralistic community is made up of families from a wide variety of ethnic, linguistic, and cultural identities, including many who are just beginning their Jewish journey. Nearly half of Brandeis students take advantage of a Tuition Assistance program, a reflection of the school's commitment to sustaining a learning environment that is one of the most socio-economically diverse among Bay Area independent schools.

### The Project

The proposed issuance is by the California Enterprise Development Authority ("Issuer") of tax-exempt revenue obligations, as defined in Section 147(f) of the Code, in an amount not to exceed \$8,500,000 ("Obligations"), in one or more series. The Obligations will be purchased by a financial institution, and the Issuer will use such proceeds to provide financing for The Brandeis School of San Francisco ("Borrower"), pursuant to a Loan

Agreement, and will be repaid entirely from payments by the Borrower. The Borrower intends to use the proceeds of the Obligations to: (i) refinance the costs relating to the acquisition, construction, installation, rehabilitation, equipping and/or furnishing of its educational facilities located at 655 Brotherhood Way, San Francisco, California 94132 (the "Project"), and (ii) pay various transaction costs and related costs.

The Project is and will be owned by the Borrower and will be used by the Borrower in its mission to provide a diverse education for students enrolled in pre-kindergarten through 8th grade.

#### Financing Information

Assuming all required approvals are obtained, the Issuer expects to issue the Obligations in an amount not to exceed \$8.5 million. Bond counsel on the transaction is Kutak Rock LLP.

#### Public Approval Process

The City and County of San Francisco is a participating member of the California Enterprise Development Authority, a joint powers authority. The Authority is authorized to issue bonds, notes, certificates of participation, or other forms of indebtedness, including refunding previously issued debt. As noted above, federal tax law requires that the governing body of the jurisdiction in which the project is located approve the financing and the project after providing the opportunity for a duly-noticed public hearing before the Bonds may be issued on a tax-exempt basis. Your assistance with this matter is greatly appreciated. Please contact me at (415) 554-4862, if you have any questions or require additional information. Thank you.

Sincerely,

Vishal Trivedi  
Bond Analyst, Office of Public Finance